

**ENTERED**

December 03, 2024

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION****IN RE:****HOUSTON REAL ESTATE PROPERTIES  
LLC,****Debtor.****JOHN QUINLAN, OMAR KHAWAJA,  
AND OSAMA ABDULLATIF,****Plaintiffs,****VS.****JETALL COMPANIES, INC., ARABELLA  
PH 3201 LLC, 9201 MEMORIAL DR. LLC,  
2727 KIRBY 26L LLC, DALIO HOLDINGS  
I, LLC, DALIO HOLDINGS II, LLC,  
HOUSTON REAL ESTATE PROPERTIES,  
LLC, SHAHNAZ CHOUDHRI, ALI  
CHOUDHRI, SHEPHERD-HULDY  
DEVELOPMENT I, LLC, SHEPHERD-  
HULDY DEVELOPMENT II, LLC,  
GALLERIA LOOP NOTE HOLDER LLC,  
MOUNTAIN BUSINESS CENTER, LLC,  
RANDY W WILLIAMS CH7 TRUSTEE,  
OTISCO RDX LLC, MCITBE, LLC,  
JETALL/CROIX PROPERTIES LP,  
AND JETALL/CROIX GP, LLC,****Defendants.****CASE NO: 22-32998****CHAPTER 7****ADVERSARY NO. 23-3141****ORDER TO SHOW CAUSE**

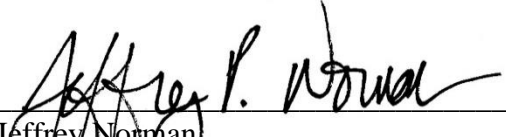
At the status conference held on December 2, 2024, it came to the Court's attention that one of the defendants in this adversary case, Shepherd-Huldy Development I, LLC filed bankruptcy on May 6, 2024, under case No. 24-32146 with an address at 1001 W. Loop, Suite 700, Houston, TX 77027. Kevin Madden represents the debtor in that bankruptcy. The case is a single asset real estate case and the debtor does not list any of the plaintiffs as creditors in any of the

documents filed in that case, including the List of Creditors,<sup>1</sup> Schedule D,<sup>2</sup> Schedule F,<sup>3</sup> nor is this litigation listed on the debtor's statement of financial affairs.<sup>4</sup> The stay has not been lifted in that bankruptcy to allow plaintiffs to continue this adversary case against it. The managing member of the debtor is also a defendant in this adversary. Therefore, the Court will set a hearing to determine if Shepherd-Huldy Development I, LLC should be severed and if sanctions should be awarded.

**ACCORDINGLY, IT IS ORDERED** that the debtor appear by its managing member, Ali Chaudhri and show cause why Shepherd-Huldy Development I, LLC should not be severed from this cause of action, and if sanctions should be awarded against it for its failure to properly file its schedules and statement of financial affairs.

**IT IS FURTHER ORDERED** that a hearing to address the terms of this show cause order shall be held on December 16, 2024, at 9:30 a.m. in Courtroom 403, United States Courthouse, 515 Rusk St., Houston, TX 77002.

SIGNED 12/03/2024

  
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Jeffrey Norman  
United States Bankruptcy Judge

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<sup>1</sup> Chapter 11 List of Creditors filed on June 14, 2024 at ECF No. 36.

<sup>2</sup> Amended Schedule D filed June 14, 2024 at ECF No. 40.

<sup>3</sup> Amended Schedule E/F file on June 14, 2024 at ECF No. 41

<sup>4</sup> Statement of Financial Affairs, filed May 22, 2024 at ECF No. 9.